

Water Funding Task Force Meeting

August 22, 2013 | Monsanto Water Utilization Learning Center | Gothenburg, NE

CALL TO ORDER AND ROLL CALL

The meeting was called to order at 9:00 a.m. at the Monsanto Water Utilization Learning Center, Gothenburg, Nebraska, roll call was taken.

Task Force members in attendance were:

Voting Members:

Clint Johannes, **Chairman**, *NRC*

Lennie Adams, *Manufacturing*

Richard Hadenfeldt, *NRC*

Garry Anderson, *NRC*

Joel Christensen, *MUD*

Kevin Fornoff, *NRC*

Joseph Hergott, *NRC*

Tim Luchsinger, *Municipalities*

Dick Mercer, *NRC*

David Kadlecsek, *NRC*

Darrell Rains, *NRC*

Scott Smathers, *Outdoor Recreation Users*

Jeff Steffen, *NRC*

Roric Paulman, **Co-Chairman**, *Agriculture*

Brian Barels, *Public Power*

Stan Clouse, *NRC*

John Heaston, *Wildlife Conservation*

Thomas Knutson, *NRC*

Chandler Mazour, *Agribusiness*

Rex Peterson, *Livestock Producers*

Keith Rexroth, *NRC*

Gerry Dale Sheets, *Public Power and Irrigation Districts*

Dennis Strauch, *Irrigation Districts*

Dave Deines, *NRC*

Beverly Donaldson, *NRC*

Non-Voting Members:

Senator Tom Carlson

Senator Ken Schilz

Senator Al Davis

Senator Dan Watermeir

Senator Mark Christensen

Brian Dunnigan, *NRD*

The following attended as designee: Rex Gittins as designee for Brian Dunnigan until 12:00 noon when Brian Dunnigan arrived and participated for the rest of the day.

The following members were absent: Senator Rick Kolowski; Michael Reynolds, Steven Sugden.

NOTICE OF THE MEETING

Notice of the meeting was published on the Department of Natural Resources web site

(www.dnr.ne.gov/lb517).

INFORMATIONAL MATERIALS

The following informational materials were distributed for the Thursday, August 22 session:

- Agenda
- Minutes from August 8 and 9, 2013 meeting
- "Water Sustainability Platte River"
- "Support Services for the Water Funding Task Force"
- "Category and Criteria Evaluation Sheet"
- "Surface Water Projects and Irrigation Sutherland Project"
- Nebraska Water Funding Task Force Work Plan

WELCOME AND INTRODUCTION

Clint Johannes stated that Notice of the meeting was published on the Department of Natural Resources web site (www.dnr.ne.gov/lb517). A copy of Nebraska's public meeting statutes was available in the room.

Mr. Johannes requested that anyone wishing to provide public comment at today's meeting please sign the "Speaker" sign-in sheet at the sign-in table.

MEETING MINUTES

The minutes of the August 8th and 9th meetings were presented. The following clarifications to the August 9th meeting were offered:

1. The distinction between alternate and designee. Only two members, Senator Carlson and Brian Dunnigan may appoint a designee to act on their behalf. This designee may fully participate in the meeting. Other Task Force members may provide an alternate. Alternates may not vote or participate in discussion except during time provided for public comment.
2. Goal #7 under the Goals and Criteria section was clarified to add "industrial uses".

Dick Mercer moved and Kevin Fornoff seconded the clarified motion to adopt the August 8 and 9, 2013 Task Force meeting minutes. The motion passed unanimously by roll call vote.

PROJECT STATUS

Karen Griffin, Project Manager with Olsson Associates, introduced members of the consultant team and then reviewed Omaha meeting logistics, reviewed the outcomes of the last Task Force meeting, and provided an overview of the day's agenda, session goals.

EDUCATION SESSION

David D. Cookson, Attorney General's Office, presented "Nebraska' Water Compacts and Decrees." Discussion followed. He referred to the legislative website as a source of information on Nebraska's Compacts and Decrees – www.ago.ne.gov/.

Break

EDUCATION SESSION

Jerry Kenny, Executive Director, presented "Platte River Recovery Implementation Program." Discussion followed. The presentation is available on the DNR website (www.dnr.ne.gov/lb517).

Lunch

EDUCATION SESSION

Don Kraus, General Manager, Central Nebraska Public Power and Irrigation District, presented "Water Sustainability Platte River." Discussion followed. The presentation is available on the DNR website (www.dnr.ne.gov/lb517).

Brian Barels, Water Resources Manager, Nebraska Public Power District, presented "Surface Water Projects and Irrigation - Sutherland Project". Discussion followed. The presentation is available on the DNR website (www.dnr.ne.gov/lb517).

Brad Edgerton, Manager, Frenchman Cambridge Irrigation District, presented "Frenchman Cambridge Irrigation District". Discussion followed. The presentation is available on the DNR website

(www.dnr.ne.gov/lb517).

TASK FORCE WORKING SESSION: CRITERIA AND PROJECT RANKING

Task Force Housekeeping and Use of MindMixer Site

Patti Banks, with Vireo, summarized the current status and use of the Task Force MindMixer site, reporting on the investigation of the “1,000 word limit” and “no existence of a disagree” button. Feedback on new ideas/topics will be solicited based on discussion over the next two days and will be posted on Monday, August 26. Members asked that email reminders be sent to encourage use of the site.

Task Force Work Plan

Patti Banks then reviewed a draft work plan to advance the work of the Task Force between now and the end of the year. There are five distinct areas in which the Task Force is to make recommendations. The suggestion is that we proceed along two tracks concurrently and each of the meetings of the Task Force would make some progress on each. Track One is generally centered on criteria and projects. Track Two is centered on funding and administration. Each meeting has a tentative plan. As the Task Force proceeds through the work, the plan will be revised into accomplishments for that session and revised for future sessions.

The Chair requested the Task Force receive a list of the approved but as yet unfunded projects.

Review Previous Meeting Rankings and Refine

Karen Griffin reviewed the previous meeting rankings and the group refined as needed. Discussion followed. See handout.

Review LR314 Results and Implications on Criteria Development

Mike Sotak, with FYRA, presented LR314 and reviewed the results and implications on criteria development. Discussion followed.

Look at Criteria/Goals from the Legislations and Evaluate Suitability by Category

Mike Sotak reviewed criteria and goals from the legislation and led a discussion about the suitability of criteria by category. Discussion followed.

The following questions were raised for further consideration.

- Does the Task Force think all project types should compete with one another or only with those of the same project type?
- Should the funds be allocated by project type in actual dollars, by general percentage of funds available, or left in a single “pot” distributed based on the applications approved?
- Could the team suggest targeted criteria by category and show examples?

Discuss the Need for Geographic Differences in Criteria Selection and Ranking

At the August 9th meeting Task Force members asked to discuss geographic application of criteria. Patti Banks, with Vireo, led a discussion regarding the need for geographic differences in criteria selection and ranking.

Discussion centered on keeping the criteria system as simple as possible, and transparent to participants, and not applying criteria differently on basis of geography at this time.

The Task Force recognized the value of projects that solve more than one issue. They discussed the possibility of creating “Mega Categories” to encourage systems thinking and implementation of systems solutions with incremental projects. The “Mega Categories” suggested include:

- Water quality
- Water quantity
- Timing and distribution
- Watershed function and aesthetics

PUBLIC COMMENTS 4:40 PM

Karen Griffin requested that anyone who signed-in to please come forward to provide public comment. No individuals signed in to provide comment.

Individuals from the community present during the meeting included:

- Rick Kubat, *MUD*
- Mike Delka, *Bostwick Irrigation District*
- Joe Richeson, *Gothenburg Irrigation*
- Irv McQuarrie, *Invest Tune Retire, Inc.*
- Dan Kraus, *CNPPID*
- John Miyoshi, *LPNNRD*
- Kevin Boyd, *Central*
- Jerry Kenny, *PRRIP*
- Dustin Wilcox, *NARD*

WHAT’S NEXT

Karen Griffin, reviewed the project schedule for Friday, August 23rd.

The next meeting/tour will be held on Thursday August 29, 2013 at the LaVista Conference Center, LaVista, Nebraska. The Thursday session will begin at 9:00 am.

Meeting adjourned for the day at 4:45 p.m.

The Water Funding Task Force reconvened at 8:00 am on Friday, August 23rd, 2013 at the Monsanto Water Utilization Learning Center in Gothenburg, Nebraska.

CALL TO ORDER AND ROLL CALL

Chairman Johannes called the meeting to order at 8:00 a.m. at the Monsanto Water Utilization Learning Center, Gothenburg, Nebraska, roll call was taken.

Task Force members in attendance were:

Voting Members:

Clint Johannes, **Chairman, NRC**
Garry Anderson, *NRC*
Joel Christiansen, *MUD*
Dave Deines, *NRC*
Kevin Fornoff, *NRC*
Joseph Hergott, *NRC*
Thomas Knutson, *NRC*
Chandler Mazour, *Agribusiness*

Roric Paulman, **Co-Chairman, Agriculture**
Brian Barels, *Public Power*
Stan Clouse, *NRC*
Beverly Donaldson, *NRC*
John Heaston, *Wildlife Conservation*
David Kadlecek, *NRC*
Tim Luchsinger, *Municipalities*
Rex Peterson, *Livestock Producers*

Darrell Rains, *NRC*
Michael Reynolds, *NRC*
Scott Smathers, *Outdoor Recreation Users*
Dennis Strauch, *Irrigation Districts*

Keith Rexroth, *NRC*
Gerry Dale Sheets, *Public Power and Irrigation Districts*
Jeff Steffen, *NRC*

Non-Voting Members:

Senator Tom Carlson
Senator Al Davis
Senator Ken Schilz

Senator Mark Christensen
Senator Rick Kolowski
Senator Dan Watermeier
Rex Gittins as designee for Brian Dunnigan

The following members were absent: Lennie Adams, Richard Hadenfeldt, Dick Mercer, Steven Sugden.

Mr. Johannes requested that anyone wishing to provide public comment at today's meeting please sign the "Speaker" sign-in sheet at the sign-in table.

INFORMATIONAL MATERIALS

The following informational materials were distributed for the Friday August 23rd session.

- Agenda
- Agenda for August 29 and 30th meeting
- "Central Platte Natural Resources District"
- "Potential Funding Sources"

PROJECT STATUS

Karen Griffin, Project Manager with Olsson Associates, reviewed Omaha meeting logistics, and provided an overview of the day's agenda. She also requested that all Task Force expense reimbursement sheets be provided to members of the consultant team for processing using the "Red Box".

EDUCATION SESSION

Lyndon Vogt, General Manager, presented "Central Platte Natural Resources District." Discussion followed. The presentation is available on the DNR website (www.dnr.ne.gov/lb517).

TASK FORCE WORKING SESSION: FUNDING AND ADMINISTRATION

Re-cap of Thursday Discussion on Criteria and Categories

Mike Sotak, with FYRA, presented preliminary information on the prioritized criteria as they related to the "Mega Categories". Discussion followed, further refinement is necessary.

LR314 Funding Sources

Karen Griffin reviewed the previous meeting discussion on funding sources and distributed a table entitled "Federal Funding Sources for Municipal Water Supplies in Nebraska". Discussion followed. Dean Edson, with NARD, was asked to present updates to the list.

Patti Banks, with Vireo, led a brainstorming session to identify funding sources to be considered for LB517 implementation. The Task Force shared the following list of ideas:

1. Additional sales tax
2. Portion of existing tax
3. Lottery money
4. Cigarette tax
5. User tax on water

6. State-wide occupation tax
7. Industrial and municipal water use tax
8. Funding formula based on beneficiaries
9. Wellhead tax
10. Irrigated acre tax – gw and/or sw
11. Voluntary donation
12. Bonding and loans
13. Tax on every acre of State
14. Excise tax
15. Energy tax
16. Fuel tax or toll on I-80
17. Bottle drink tax
18. Fertilizer tax – dedicated to water quality
19. Recycling Fund
20. Pitman-Roberts Fund
21. Private industry sustainability initiatives
22. Commodities tax /donation – dedicated to restoration
23. Commodity check off tax
24. Tax on trash
25. Tax Credits

Patti distributed a note card for members to identify their top 3 – 5 funding sources, the results of which will be shared as the funding discussion continues.

PUBLIC COMMENTS 11:53 AM

Karen Griffin requested that anyone who signed-in to please come forward to provide public comment. No individuals signed in to provide comment, but Dean Edson was asked to speak related to existing funding sources for NRDs. He will update the work done in LR314 as the Task Force identifies the information they need and the way in which they would like it developed.

Individuals from the community present during the meeting included:

- Dustin Wilcox, *NARD*
- John Miyoshi, *LPNNRD*
- Elizabeth Barnett, *Gottenburg Times*
- Rick Kubat, *MUD*
- Mike Delka, *Bostwick Irrigation District*
- Tim Anderson, *CNPPID*
- Irv McQuarrie, *Invest Tune Retire, Inc.*

Meeting adjourned at Noon.

Lunch

Tour of the Monsanto Water Utilization Learning Center